GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1107
ANSWERED ON:28.11.2014
PRIVATE PARTICIPATION IN DOMESTIC AEROSPACE ARENA
Nayak Shri B.V.

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has taken decision to promote private sector entry into the domestic aerospace arena through a project to supply 56 transport aircraft to the Indian Air Force (IAF);

(b) if so, the details thereof;

(c) whether the Public Sector Undertakings (PSUs) including the Hindustan Aeronautics Limited (HAL) has any role in this project; and

(d) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) & (b): Yes, Madam. A proposal to procure 56 transport aircraft as replacement for AVRO Aircraft through 'Buy & Make' route has been accorded Acceptance of Necessity (AON) by the Defence Acquisition Council (DAC) on 23rd July, 2012. Out of these, 40 aircraft will be manufactured in India by an Indian Production Agency (IPA) from the private sector. The IPA will be chosen by the Original Equipment Manufacturer (OEM).

(c) & (d): The IPA can be a Joint Venture (JV) / Special Purpose Vehicle (SPV) / Consortium. Public Sector Undertakings (PSUs) / HAL can participate as part of such Joint Venture (JV) / Special Purpose Vehicle (SPV) / Consortium.